BUDGET
1980-81

Speech of

Thiru V. R. Nedunchezhiyan

Minister for Finance

2nd July 1980

Speech of Thiru V. R. Nedunchezhiyan, Minister for Finance, Government of Tamil Nadu presenting the Budget for 1980–81 *to the Legislative Assembly on 2nd July* 1980.

Mr. Speaker Sir,

"To be able to generate wealth, to lay it up and guard,
And also well to distribute it, marks a royal head."

Tiruvalluvar, the renowned sage of Tamil Nadu has defined an ideal Government as one which identifies proper sources of income, mobilises such resources, worthily preserves and promotes them, and deploys them worthily for the good of the people.

True to this spirit, the Revised Estimates/Budget Estimates have been framed.

2. Hon'ble Members of the House may recall that during the President's Rule in the State, a Vote on Account was obtained in Parliament, for incurring expenditure during the first four months of this financial year. Taking into account the estimates for the remaining 8 months, I seek the approval of the House for the Budget Estimates for the current year.

3. This Ministry has assumed office only recently, after having been elected under due democratic process with a clear mandate of the electorate. Eventhough only a short period was available for the presentation of the

Budget, the Government has made appropriate allocations, with the limited resources available to the State, taking care to incorporate in the Budget its important policies and programmes to the extent possible. I wish to assure this House that this Government would continue to make necessary modifications and suitable provisions during the current year to implement schemes and programmes of priority.

4. The serious economic situation faced by the country as a whole has also had its impact on Tamil Nadu. Inflationary forces have strongly emerged in the Indian economy. This Government is very anxious that the prices are kept under control, production gets increased, the growth of the economy is accelerated and enlarged employment opportunities are created. The instruments for the management of the economy and the fiscal policy are mainly vested with the Union Government. This Government will wholeheartedly co-operate and support the Central Government in all its efforts towards the improvement of the national economy and strengthening of the State Governments. The programmes formulated by the State Government have taken into account the immediate needs, the short-term requirements and the long-term goals of the State. This Government will take all steps to pursue the effective implementation of the on-going programmes and the proper formulation of purposeful new schemes.

Agriculture

5. The Government is continuing its efforts to enlarge and implement schemes for the development of agriculture, which forms the basis of our economy. Due to the

measures taken last year, production potential of 83·92 lakh tonnes of foodgrains, comprising of 62·29 lakh tonnes of rice, 19·03 lakh tonnes of millets and 2·6 lakh tonnes of pulses was created. The Department of Agriculture has programmed to implement a number of schemes in the current year for increasing the production potential of foodgrains to 89·2 tonnes, comprising of 65 lakh tonnes of rice, 21·45 lakh tonnes of millets and 3·75 lakh tonnes of pulses.

6. In order to produce quality seeds of paddy, cotton and pulses, 14 seed centres are managed by the Department with the co-operation of leading farmers. It has now been programmed to establish 4 new seed centres to cover the production of quality oil seeds. The Department will supply "foundation" seeds to the selected leading farmers and collect the quality seeds produced by these farmers. The Department will also undertake to supervise closely the cultivation by these farmers.

7. The production of pulses in Tamil Nadu has been very much below the requirement. Government has sanctioned a special pulses production programme at a total cost of Rs. 30 lakhs. Under this programme, breeder seeds will first be produced and thereafter quality seeds will be distributed all over the State in stages. It is anticipated that over the next few years the production of pulses will increase substantially by these measures.

8. In order to step up the production of coconuts, it is proposed to establish 8 new large coconut nurseries at a total cost of Rs. 54 lakhs. This will lead to an increase in

production and distribution of coconut seedlings from the present level of 13 lakh seedlings per year, to 31 lakh seedlings per year. It is proposed to open a new farmers' training school at Dharapuram in the newly formed Periyar district during the current year. With this, there will be a farmers' training school in every district in the State.

9. A special provision of Rs. 10 lakhs has been made for strengthening the Seed Certification Agency, which was separated from Agriculture Department and converted into a separate agency last year. Members may recall that a separate department of Horticulture was established last year. Provision has been made in the current year for establishment of large orchard in Sirumalai Hills in Madurai district and another big orchard in the Kalrayan Hills. Further, a provision of Rs. 7·66 lakhs has been made for undertaking special programmes in Government orchards throughout the State. To enable the farmers obtain fair prices for their produce, a provision of Rs. 14·7 lakhs has been made for the establishment of 10 new commercial grading centres and for constructing buildings at 5 other centres. A provision of Rs. 20 lakhs has been made in the current year to enable the Agricultural University to undertake several new agricultural research schemes. Special attention will be paid to research activities pertaining to pulses and millets.

Public Distribution of Essential Articles

10. Farmers have greatly benefited by the direct purchase of paddy by the Tamil Nadu Civil Supplies Corporation at a price higher than the procurement

price fixed by the Union Government. This Corporation has purchased 2 lakh tonnes of paddy at this higher price during the last kuruvai and samba seasons. This Corporation has adequate reserve stocks of rice to meet the requirements under the public distribution system. The Civil Supplies Corporation has expanded its activities since last year by distributing more than 2 lakh tonnes of cement per annum. It has also undertaken the retail distribution of kerosene, at the price fixed by the Government, particularly in rural areas for the first time. It has also undertaken wholesale distribution of levy sugar since December 1979. The budget estimates include a provision of Rs. 6·84 crores as additional share capital assistance to this Corporation, in order to enable it to undertake the distribution of such essential commodities at fair prices.

Co-operation

11. The Government will encourage marketing of agricultural produce by co-operatives and various measures have been taken to increase the necessary facilities. 498 godowns for village co-operatives and 16 godowns for marketing societies with the total capacity of 76,000 tonnes are under construction. In addition, during 1980–81, 200 godowns for village co-operatives and 5 godowns for marketing societies with the capacity of 29,000 tonnes, will be taken up for construction. A provision of Rs. 59 lakhs has been set apart for this purpose. Tamil Nadu Co-operative Marketing Federation is running a cold storage plant in Madras to preserve perishable articles. It is proposed to set up during this year, 4 more cold storage plants, each at a cost of Rs. 20 lakhs, with the total storage capacity of 4,000 tonnes.

Relief to Agriculturists' Debt Burden

12. The High Level Committee on Agriculture constituted by Government gave its recommendations in 1979. Based on these recommendations, this Government extended relief to agriculturists to the tune of Rs. 40 crores. Even after these concessions, there has been a demand that the loan amounts due from agriculturists suffering from heavy debt burden should be written off. This Government has written to the Union Government requesting substantial financial assistance to enable the Government to take necessary relief measures. I wish to take this opportunity to place before the Union Government the common desire of all Members of this House that the Union Government should consider this request with sympathy and understanding and come forward to extend substantial assistance to the State.

13. Meanwhile, Tamil Nadu Government has decided to extend certain additional concessions to agriculturists from its own resources. The total dues from farmers under Takkavi loans stands at Rs. 21 crores presently. Of this, Rs. 5 crores are loans towards creation of capital assets like purchase of tractors, power tillers or digging of wells. The balance of 16 crores was given under various development schemes. The Government has decided to write off this amount of Rs. 16 crores of principal and the interest.

14. The co-operative societies are giving loans to the agriculturists on the basis of assistance from Reserve Bank of India and deposits mobilised from the public. Unless loans are repaid on time by the farmers, flow of

assistance from Reserve Bank wou.d be hampered thus prompt repayment of loans by agriculturists is absolutely essential for the proper functioning of co-operative credit structure. Of the short term loans to the agriculturists, around Rs. 97 crores has been converted into medium term loans, on account of continued failure of crops due to natural calamities. Of this amount, Rs. 80 crores was outstanding on 31st March 1980. In addition, outstanding interest is of the order of Rs. 15 crores. It has been computed that the outstanding dues from ryots owning 5 acres of land and less would be around 50 per cent of the total dues. On this basis it has been calculated that the outstandings from such farmers would be of the order of Rs. 35 crores on account of principal and about Rs. 7 crores on account of interest. The Government of Tamil Nadu has now decided to completely write-off this amount of loan and interest due from such small farmers. This decision would entail an outgo of around Rs. 42 crores from Government. As earlier explained, the loss to Government by the write off of Takkavi loans would be of the order of Rs. 16 crores. Thus, the total value of concessions would amount to around Rs. 58 crores to Rs. 60 crores. I am hopeful that the agriculturists will whole-heartedly welcome this decision of Government. Eventhough expenditure of this magnitude will seriously affect the financial position of the State, Government has taken this bold decision taking note of the present plight of the agriculturists. This Government has requested the Union Government to give financial assistance to the State Government to recoup this loss.

15. While announcing these concessions I would also like to sincerely appeal to the farming community to bear in mind their social responsibility and to repay their dues to the co-operative societies in order to create the proper climate for the effective functioning of the co-operative credit movement.

Animal Husbandry

16. The Animal Husbandry Department has drawn up a special programme for the development of Institute of Veterinary Preventive Medicine at Ranipet. Accordingly a provision of Rs. 34·85 lakhs has been made to improve the production facilities of several types of vaccines of the Centre. A provision of Rs. 20 lakhs has been made for undertaking heifer production in Government livestock farms. In addition, 10 new veterinary dispensaries will be opened in the current year; 5 veterinary dispensaries will be upgraded as Hospitals. Government has planned to establish a farm for preservation of the Kangeyam breed. The Government has made a provision of Rs. 1·77 lakhs for establishing a breeding centre for Ongole breed cows in one of the Government Cattle Farms. The Budget Estimates include a provision of Rs. 20 lakhs as grant to the Agricultural University to undertake new research work on disease investigation. The Government is actively considering a new insurance scheme, in collaboration with the General Insurance Corporation of India, to provide insurance cover to work animals, dying either by disease or owing to accidents during their work.

Dairy Development

17. Under Dairy Development, provision has been made for four additional mobile veterinary clinics. These mobile clinics will function in Ramanathapuram, Thanjavur, Pudukkottai and Tiruchirappalli districts. Government has decided to provide this facility in these four districts from its own funds as these districts are outside the Operation Flood Programme assisted by the Indian Dairy Corporation. A provision of Rs. 73 lakhs has been made for this department in the budget for 1980–81.

Forest

18. This Government continues to devote special attention to the development of forests. Recognising the importance of forests in the prevention of soil erosion, the Government has programmed to afforest the catchment areas of the Mettur Dam at a cost of Rs. 26 lakhs. The Government has also planned to grow fuel wood plantations at a cost of Rs. 146 lakhs in 1980–81. In order to improve the availability of fuel wood, the Government is taking steps to implement a major social forestry programme in poromboke lands, hill areas, road margins and river and canal fringes with assistance from the Swedish International Development Agency. The Budget Estimates provide for construction of forest roads at a cost of Rs. 25 lakhs and residential quarters in forest areas at a cost of Rs. 35 lakhs. The annual plan provides for an outlay Rs. 650 lakhs for Forest development.

Fisheries and Fishermen Welfare

19. In order to increase the income of fishermen by giving training to them in prawn-rearing, Government has made a provision of Rs. 16·5 lakhs for setting up model farms in 10 places. Provision has also been made in the Budget for setting up a Government prawn farm in Adhiramapattinam. This farm of 50 hectares extent, will be managed by a Fishermen's Co-operative Society consisting of 100 members. The total requirement of fingerlings for all the water resources in the State is estimated at 350 million. In the current year, Government proposes to commence implementation of a scheme to rear 100 million fingerlings in 30 hectares at a cost of Rs. 109 lakhs. It is relevant to note that this will double the present production of fingerlings. The value of fingerlings will be Rs. 50 lakhs and by rearing them in various reservoirs, tanks and ponds 25,000 tonnes of fish, worth Rs. 5 crores will be produced. Four deep sea fishing trawlers are, at present functioning under the control of Department of Fisheries. Government has planned to undertake programmes for the planned development of deep sea fishing and to purchase of additional trawlers to be operated by fishermen co-operatives.

20. Out of 214 fishermen hamlets, 20 were provided with protected water-supply. In the past few years, Government has provided protected water-supply to 30 fishermen hamlets, at the cost of Rs. 106 lakhs. During current year, 29 hamlets will be provided with water-supply at an expenditure of Rs. 43 lakhs. The

remaining 145 fishermen hamlets will be provided with water-supply in a phased programme at a cost of Rs. 5 crores. A provision of Rs. 30 lakhs has been made in this year's budget for roads to fishermen hamlets. A sum of Rs. 1.00 crore has also been provided for fishermen's housing this year.

Irrigation

21. Adequate attention is being paid to the extension of irrigation facilities and the improved performance of existing irrigation systems. Work on the Neerar Dam and Neerar Tunnel under the Parambikulam-Aliyar Project, which have been under progress for a long time, have now been completed. Extension of ayacut under this scheme is now in progress and it is expected that 9,100 acres will be given irrigation supplies for the first time in the current year. The Sathanur Right Bank Canal Scheme will be fully completed in the current year; as planned, an additional 20,000 acres will be benefited under this scheme. The Pambar Irrigation Project in Dharmapuri district will also be completed in the current year and thereby 4,200 acres will be newly irrigated. Speedy progress is being made in completing the Gundar Project in Tirunelveli district, Tumbalahalli, Nagavathi, Ichambadi, Thoppaiyar and Vaniyar Projects in Dharmapuri district and Vembakkottai Project in Ramanathapuram district. The outlay on major, medium and minor irrigation projects has been stepped up from Rs. 25·20 crores in the Revised Estimates 1979–80, to Rs. 32·74 crores in the current year.

22. Special efforts are being taken to improve the management of bigger reservoirs. The supply of water from the Lower Bhavani Dam for an additional groundnut crop has been the result of such measures. For the first time, supplies were made from the Mettur Canals Scheme to raise an additional crop over an extent of 40,000 acres. Likewise, additional supplies were made for the Grand Anicut Canal ayacut, enabling raising of an additional dry crop. I am sure that the Members of the House will welcome these measures to improve the performance of existing irrigation systems.

Power

23. The Government has taken special steps to step up the generation of electricity and improve the distribution system. Tamil Nadu has the biggest network of low tension transmission lines in the whole country. The Tamil Nadu Electricity Board which has a total length of 2·4 lakh kilometres of low tension transmission lines, has so far energised 8·9 lakh irrigation wells. Of the total number of 63,605 colonies 63,431 colonies have been supplied with electricity. All the Harijan Colonies in the State have been electrified; the Electricity Board also maintains 7·33 lakh street lights. So far 1·93 lakh huts have been provided with electricity connections under the scheme for provision of electricity to hut dwellers. While enlarging the distribution system throughout the State, several measures are also being taken to bring down the transmission losses. I wish to bring to the notice of the House that as a result of these measures, the transmission loss which was around 21·45 per cent in 1974–75 has been brought down to 18·1 per cent in 1978–79.

24. It is anticipated that the second unit of the Tuticorin Thermal Station will be commissioned by August this year. The Servalar Hydel Project and the first unit of the Kadambarai Pumped Storage Project will be commissioned in 1982–83. In order to improve substantially the generation of electricity, the Government has forwarded a number of projects for the approval of the Central Electricity Authority. The Lower Mettur Hydel Project, the Upper Amaravathy Hydel Project, Shanmuga Nadhi Hydel Project, Manimuthar Hydel Project, Upper Tambaraparani Hydel Project are some of the more important projects pending clearance. I would like to request the Central Government to accord early approval to these projects so as to assist our efforts to improve power generation. The Tamil Nadu Electricity Board has sought the clearance of the Central Government for making a feasibility study, based on a new technology, for power generation utilising the temperature differential between the deep sea and surface of the ocean. I hope the Central Government will give early clearance for this study of Ocean Thermal Energy Conversion Project, to be undertaken with foreign knowhow. The total outlay for the Power sector in the current Annual Plan is Rs. 155·76 crores and the Budget Estimates provide for a Government support of Rs. 75 crores for the Power Plan.

25. The cost of generation and the cost of power purchased have increased substantially in the recent past. Kerala which had been supplying power at 12·5 paise per unit in 1977–78, has increased the rate to 28 paise per unit in the current year. Likewise, power purcahsed from Neyveli which was costing 14·37 paise per unit in

1977–78, has increased to 18·88 paise per unit in the current year. The cost of coal purchased from Singareni coal fields has increased from Rs. 82 to Rs. 110 per tonne from the month of July last year; the cost of coal from other coal fields has similarly been increased from Rs. 80 to Rs. 123. These developments have led to a substantial increase in the cost of power generation in the current year. This only reiterates the need for the Electricity Board to improve its financial position. The Electricity Board is currently, critically reviewing the position.

26. It costs the Electricity Board 43 paise to supply a unit of electricity, at the low tension distribution point. Recognising the great importance of agriculture in our economy, the Government has fixed the agricultural tariff at a very low level of 14 paise per unit and for small farmers still lower at 12 paise per unit. It is well known that the rates for electricity for agriculture in our State are much lower than those obtaining in the other comparable States. In this situation, I would like to appeal to agriculturists and others to pay their electricity dues promptly so that the Electricity Board can function without any financial difficulty.

Industrial Development

27. The number of applications for letters of intent, or licenses for large and medium industries recommended by this Government to the Central Government has been continuously on the increase. In 1979, 49 such applications were recommended by this Government. In the current year commencing from January

upto the end of June, 47 applications have been recommended to the Central Government and, in all, 80 applications are still pending with the Central Government. I hope approval for them will be given soon.

28. The new cement factory at Ariyalur has been completed and has started production. The Inter-continental Leathers, a company in the joint sector established by TIDCO, has also commenced production. Further TIDCO is also planning to establish a project for manufacture of explosives in the public sector. Steps have been taken to establish a company in joint sector to undertake breaking of old ships. Government has made a provision of Rs. 3·75 crores for TIDCO in the year 1980–81.

29. The Small Industries Promotion Corporation of Tamil Nadu (SIPCOT) is implementing the Central scheme of capital subsidy to industries in backward area. I am happy to inform the House that upto the end of 1979–80, Tamil Nadu has been able to draw Rs. 10 crores out of the total amount of Rs. 69 crores disbursed under this scheme, thus obtaining the first place in the entire country. This Corporation is also implementing the sales tax loans scheme of the State Government for establishiment of new industries and expansion of existing industries in the backward areas of the State. The provision for this has been enhanced from Rs. 180 lakhs in the last year to Rs. 225 lakhs in the current year. This Corporstion has also developed industrial areas at Ranipet and Hosur. The Budget Estimates include a provision of Rs. 50 lakhs as share capital assistance to this Corporation to enable it to develop industrial areas in Ramanathapuram and Pudukkottai districts.

30. For the past few years, Sugar Industry has been facing an uncertain situation. In 1978, when all controls on sugar were lifted, the excise concession available to new sugar factories and factories which undertook expansion were withdrawn. This resulted in losses to those units, which had all planned their operations on the basis of these concessions. In view of this situation, the financial institutions did not come forward to assist sugar factories and establishment of new units could not be planned. In order that the work on the new sugar fctory at Periyasevalai in South Arcot district does not suffer on account of this stand taken by the financial institutions, the Government of Tamil Nadu stepped in with necessary share capital and loan assistance. Thanks to this help, it is anticipated that this new factory will commence production in October. I would like to take this opportunity to request the Central Government to evolve and implement urgently a comprehensive policy, taking into account the interests of the consumers, sugarcane growers and the sugar factories with particular reference to the new factories and the factories which undergo expansion.

31. Thanks to the improved market conditions and better management, the spinning mills in the State are functioning well in the current year. A programme to set up 36 new spinning mills and expansion of the existing 16 mills in private sector in Tamil Nadu has been undertaken. It is estimated that this programme when completed would provide employ for 19,000 persons.

32. The Governor's Address has already highlighted the development in the handlooms industry. A sum of Rs. 7 lakhs has been provided for setting up of two design centres

and another sum of Rs. 10 lakhs has been provided for subsidy on weavers housing, in this year's Budget. The TIDCO has proposed to set up a cloth processing unit in collaboration with the National Textile Corporation and Co-optex. A total plan provision of Rs. 452 lakhs has been made for Handloom sector.

33. In order to increase employment opportunities Government is taking steps to bring in 8,000 acres under mulberry cultivation during the year 1980–81. The Government has drawn up a scheme of Rs. 45 lakhs for locating sericulture centres in the headquarters of districts where sericulture activities have spread well. In these centres, model sericulture farms will be set up with facilities for training farmers in rearing silk worms. Further, it is proposed to provide Rs. 28 lakhs for expansion of grainage. As against a provision of Rs. 138 lakhs for the year 1979–80, a sum of Rs. 265 lakhs has been provided for the year 1980–81 for this sector.

34. Last year, it was proposed to set up 20 match service co-operative societies. Against this, 26 such societies catering to 2,600 match producing units were started. Employment opportunities for 52,000 persons will be generated, when these units go into full production. In addition, Tamil Nadu Khadi and Village Industries Board has issued certificates to private entrepreneurs to set up 2,000 cottage match units. These units will ultimately provide employment opportunities for 40,000 persons. A provision of Rs. 24·87 lakhs has been made for this year to set up 10 co-operative service societies and 20 industrial co-operative societies under match industries. It is essential

that continuous supply of raw materials is ensured for smooth functioning of match industry. It is, therefore, proposed to set up 3 Co-operative units to produce splints and veneers needed by the match producing units in co-operative and cottage sectors. A provision of Rs. 3·19 lakhs has been made for this purpose. Efforts are also being taken to bring suitable soft wood from Andaman-Nicobar islands.

35. Government is preparing a scheme to produce various products out of coir available in Tamil Nadu. This scheme will be finalised and implemented soon. As a part of this scheme, it is proposed to set up ten co-operative societies to produce coir fibres and ropes in Kanniyakumari and Salem districts. A provision of Rs. 15 lakhs has been made for this purpose.

Village Industries

36. The Khadi and Village Industries Board is taking steps to promote village industries such as pottery, extraction of oil by ghanies, hand-made paper, palm-gur extraction and soap making in order to increase employment opportunities in rural areas. During the year 1979–80, approximately 37,000 people have been provided employment by the efforts of this Board; products of village industries worth about Rs. 35 crores were sold. It is expected that Rs. 39 crores worth goods will be sold this year. The State Government has proposed to provide Rs. 158 lakhs of financial assistance to this Board.

37. In order to promote these industries, many more industrial co-operative societies will be set up. Statistics of unemployed goldsmiths will be collected

so…; based on that information goldsmiths' co-operative societies will be organised. Scheme for supply of 'Thalis' at cheaper price to poor will be implemented through these societies.

Roads and Road Transport

38. Realising the need for proper maintenance of the roads, this Government has earmarked Rs. 15 crores during 1980–81 for maintenance of Government roads. Under the scheme of Government taking over and improving Panchayat Union bus route roads, an expenditure of Rs. 6 crores was incurred for the financial year 1979–80. With this sum of money works on 2,000 kms. of road have been completed. Works in about 500 kms. are in progress. This year the Government has decided to increase the allotment for this purpose to Rs. 10 crores. For the scheme of providing roads to villages with a population of 1,500, a sum of of Rs. 3 crores was provided during the year 1979–80. This year, Rs. 6 crores has been earmarked for the scheme.

39. According to the detailed survey conducted last year, it is estimated that by introducing, in the first stage, 476 new bus routes, it would be possible to benefit 18 lakhs of people, living in 968 habitations and in the second stage by introducing 426 new routes, it would be possible to benefit an additional population of 22 lakhs. The second stage would also require some improvements to the existing roads. In 1979–80, new bus routes were introduced benefiting 32 lakhs of people, living in 1,395 hamlets. I am happy to announce that workers in all but two of the Transport Corporations have been able to

get the maximum bonus for 1978–79, thanks to proper management of these undertakings and good labour relations. The Transport Corporations were able to introduce 1,321 new buses in 1979–80. In the current year, it is programmed to introduce 1,800 new buses, by way of augmentation and replacements.

Tourism Development

40. The Tamil Nadu Tourism Development Corporation is constructing Tourist Rest Houses at Madurai and Coimbatore. The Government has requested experts to draw up special tourism development plans for Kanniyakumari and Rameswaram. Approval of the House is sought for extending Rs. 15 lakhs as share capital and Rs. 15 lakhs as loan to the Tamil Nadu Tourism Development Corporation. The Government has programmed to spend Rs. 12 lakhs towards provision of better facilities to tourists and several improvement works at Mamallapuram.

Education

41. Tamil Nadu has forged ahead of the rest of the country, in implementing the higher secondary stage in education. This year a total of 1·18 lakh students have appeared for the higher secondary examination, at the end of 12th year of schooling. 25,000 of them have received vocational education. It is also worth mentioning that 6,600 of the 25,000 students, are girls. The extent to which facilities for higher secondary education have been enlarged by attaching the plus two stage with the schools, can be assessed from the fact that the total number of

students who appeared for the Pre-University Examination in 1979 was only 79,000. Government has further sanctioned the upgradation of 150 high schools as higher secondary schools during 1980-81. With this, 1,242 schools would have been converted as Higher Secondary Schools, thereby extending higher level of education throughout the State, particularly to the rural areas. An amount of Rs. 3·3 crores has been set apart for providing laboratory buildings, science equipment and library facilities in these Higher Secondary schools. 2,800 new teachers at various levels would be appointed in the current year.

42. A recent survey has revealed that more than 4,000 Elementary and Higher elementary schools in Panchayat Union areas are without proper school buildings. I am happy to announce that the Government has decided to implement a special programme to provide buildings for all these schools within the next three years. Government will extend a grant of Rs. 5·5 crores to Panchayat Unions in the current year for this purpose. Members will particularly welcome the provision under this programme for giving increased assistance to backward Panchayat Unions coming under categories V and VI.

43. Government has undertaken several steps to solve the problem of school drop-outs The percentage of drop-outs in the age-group 6 to 11, viz., the number of persons who having joined the I Standard did not complete the V Standard, stood at 51 per cent in 1973-74. This figure came down to 38 per cent in 1978-79 and further still to 33 per cent in 1979-80. I have no hesitation that all Members of this House will welcome this trend.

44. The programme of Non-formal Education, which benefits drop-outs and persons who had no opportunity to go through the formal schooling, will be further strengthened during the current year. An allocation of Rs. 7·85 lakhs has been made to establish two additional Non-formal Education centres in each Panchayat Union. Further a provision of Rs. 3 lakhs has been made to assist Parent-Teacher associations to establish 600 centres in, higher secondary schools. While 4 lakhs of people have been benefited from Non-formal Education during 1979–80, it is expected that this number will increase upto 4·8 lakhs this year.

45. A provision of Rs. 1 lakh each has been made towards the establishment of Universities at Coimbatore and Tiruchirappalli which was referred to in the Governor's address. An initial provision of 1 lakh has been made for establishment of Centre for Appropriate Technology. It is proposed to undertake the establishment of Tamil University next year after examining the report of an Expert Committee to be constituted for this purpose.

46. Intake in polytechnics will be increased by 546 seats during the current year. The Government has decided to permit the establishment of a Textile based Polytechnic in Kumarapalayam, a polytechnic for women founded by Periyar-Maniammai Trust at Thanjavur and a private Polytechnic at Coimbatore district during this year. The Government has also taken steps to start new courses in various polytechnics. A total provision of Rs. 857 lakhs and a Plan outlay of Rs. 141 lakhs have been made for this sector, during this year.

Youth Welfare

47. A sum of Rs. 10·92 lakhs has been provided for establishing three sports training schools and three sports training hostels under the Directorate of Sports and Youth Service, which was set up last year. A sum of Rs. 5·15 lakhs has been earmarked for constructing stadia in 25 Taluks and Panchayat Union Centres. An initial provision of Rs. 2 lakhs has been made for assisting the construction of swimming pools in district headquarter towns. Apart from this, Rs. 15 lakhs has been provided to set up a Regional Sports Centre at Madras. The total provision of Rs. 274 lakhs has been made towards Sports and Youth Welfare activities, during the current year.

Medical Services

48. Members are aware that the Government has been taking steps during the past few years, with the aim making available medical facilities in a widespread manner, all over the State. In pursuance of this, a sum of Rs. 61 lakhs has been provided for provision of additional facilities in the taluk headquarter hospitals air conditioning of operation theatres in district hospitals, installation of generators in district headquarters hospitals and setting up of 50 mini health centres in addition to the existing 164 mini health centres and 224 mobile clinics. A sum of Rs. 70 lakhs has been provided for construction of staff quarters in villages for medical personnel. A sum of Rs. 24 lakhs has been earmarked for providing additional facilities to the medical college hospitals at Thanjavur, Tirunelveli, Chengalpattu and Coimbatore.

49. A sum of Rs. 6 lakhs has been provided for providing additional facilities to the drug manufacturing section in the King Institute, Madras. This year it has

been proposed to give Triple Antigen Vaccine to 93 lakh children, BCG vaccine to 11 lakh children and polio vaccine to 4 lakh children. For the first time in the State, it is proposed to provide Typhoid Inoculation to 7·5 lakh children. It is also proposed to provide Vitamin A drops for eye care for 20 lakh children. It is proposed to implement a scheme of village service for junior doctors. Under this scheme, the doctors will work for six months in the primary health centres and then for another six months in the taluk hospitals.

50. This Government, which is having a special interest in the promotion of indigenous medicine, has programmed to start Siddha Wings in 15 hospitals in the State, during this year. Buildings will be constructed for the Siddha Wing in the district hospitals at Thanjavur and Periyar during the current year.

Water-Supply

51. Tamil Nadu Water-Supply and Drainage Board which is engaged in the task of providing drinking water facilities to all the habitations in the State, has divided them into six categories as follows:—

(1) colonies which do not have water sources within a distance of 1 km.

(2) colonies which have water sources within a distance of 1 km. but without a potable water source.

(3) colonies which have good water sources within 1 km. but with insufficient supply.

(4) colonies with water sources within 1 km. but not properly protected or privately owned.

(5) colonies without water sources within the colony but having water sources within 1 km. distance.

(6) colonies with good water source within their precincts.

The task of providing water-supply to the habitations under the first two categories will get completed during the current year. This would have cost a sum of Rs. 25 crores benefiting about 20 lakhs of people. It is now proposed to take up work relating to the 6,500 habitations coming under category III. It is estimated by TWAD that this stage will cost Rs. 45 crores and will benefit 26 lakhs of people. The TWAD is maintaining 18,000 borewells throughout the State with the help of 17 mobile units consisting of 235 mechanics.

52. Last year, 32 Municipal water-supply schemes, 74 Town-Panchayat schemes and 9 panchayat schemes were under implementation by TWAD ; in addition, 7 municipal water-supply schemes and 22 Town-Panchayat water-supply schemes were also approved. Out of these schemes under implementation, during the current year, it is expected that 32 schemes willl get completed. The Siruvani water-supply scheme benefiting Coimbatore City and 15 adjacent town panchayats is expected to be completed during current year. Even before its full completion, Coimbtore City is being supplied with additional water. By this, it has become possible to stabilise the 7 million gallons of water supply to Coimbatore City. The Government has planned to allot during

this year, a sum of Rs. 6·83 crores to TWAD, which is implementing all these schemes, drawing assistance from Life Insurance Corporation of India.

Rural Housing Scheme

53. The rural housing scheme introduced by this Government is being implemented vigourously. Under this scheme loan assistance of Rs. 2,400 was extended through housing co-operatives for constructing houses costing Rs. 3,000 each. In view of the increase in the costs of building materials the ceiling on the cost of the house has been enhanced to Rs. 3,750. Correspondingly, the loan assistance has also been increased to Rs. 3,000. During the co-operative year 1978–79, 7,430 houses were built at a cost of Rs. 5·45 crores. During 1979–80 22,318 houses have been built, upto end of May 1980 at a cost of Rs. 15·56 crores. This scheme is being implemented with assistance from financial institutions. This programme will continue to be implemented with vigour in the current year. For this purpose, Government has made a provision of Rs. 2 crores as its contribution for Apex Co-operative Housing Society.

54. Under the Slum clearance programme 4,088 tenements were built in the Madras Metropolitan area during last year. The Government provided basic facilities in other slum areas at a cost of Rs. 80 lakhs. A slum improvement programme benefiting 16,000 families at a cost of Rs. 153 lakhs was also implemented last year with assistance from the World Bank. Provision has been made in the current year to complete this World Bank assisted programme at a cost of Rs. 120 lakhs and

also take up similar improvement works directly by the State Government at a cost of Rs. 100 lakhs. In connection with the World Tamil Conference at Madurai City, slum clearance work involving the construction of 1,008 tenements at a cost of Rs. 105 lakhs has been completed.

Madras City Development

55. The Madras Metropolitan Water-Supply and Sewerage Board has planned to undertake several new schemes in the current year. Work has commenced on construction of a third conduit from Red Hills to Madras City, extension of water-supply to areas, newly added to the City and improvements to the sewerage network. Work on the World Bank assisted schemes is being accelerated. The Board will be given assistance by the Government to the tune of Rs. 11·02 crores as grant and as loan in the current year for these programmes. The Government has drawn up a plan for improving streets coming under private layouts in Madras City and has set up a fund with an initial grant of Rs. 50 lakhs for this purpose. With the creation of this fund, the Madras Corporation has been enabled to undertake improvement works in these private streets, initially meeting the expenditure from this Fund. The Corporation will utilise the recoveries of development charges from the beneficiaries and by recycling the funds will undertake improvements in other private streets. The Budget estimate includes a provision of Rs. 20 lakhs for the Madras Corporation to effect further improvements to the street lighting system in the City of Madras. I would like to take this

opportunity to press the Central Government to take up the Mass Rapid Transit System without any delay, which can only alleviate the growing transportation problems in the city.

Food for Work-Employment Guarantee Scheme

56. Government announced in the Governor's address in February 1979, a scheme of employment guarantee to the unemployed persons in rural areas. It was possible to utilise the rice allocated under food for work programme after the Government of India allowed the supply of rice under Food for Work Programme. The allocation under food for work programme is utilised for expanding the activities of Irrigation, Highways and Agriculture departments. It has been possible to take up construction of channels and road and soil conservation works. These departments utilised 4,940 tonnes of rice during 1979–80. In addition, rural development department has utilised 50,636 metric tonnes of rice for construction of schoo buildings, panchayat offices and women welfare centres and also for maintaining office buildings, roads, irrigation sources and water-supply system. Of the 43,199 works taken up, 32,904 were completed. 23 lakh persons were employed generating employment for 142 lakh mandays and works worth Rs. 9·27 crores were implemented. A provision of Rs. 3·76 crores was made last year in addition to normal provisions for rural development, for the purpose of providing employment to those who came forward for work under Employment Guarantee scheme. Last year, 1,89,000 persons were given employment under Employment Guarantee Scheme. This scheme will be continued this year also. Various departments will take up works with the financial allocation made and the rice

allocated to them under Food for Work Programme. A provision of Rs. 10 crores has been set apart for Rural Development department to take up works under Employment Guarantee scheme. Last year, 55,584 tonnes of rice were utilised under Food for Work Programme. This Government has requested the Government of India to make an initial allocation of 1 lakh tonnes of rice.

Training to Rural Youths

57. The Government introduced a scheme last year to impart short term artisan training to rural youth. Under this scheme, 5,600persons have been trained last year in rural areas. The Central Government has also come forward to assist this scheme. By improving the availability of facilities in several training institutions, it is programmed to impart such training to 16,200 persons during the current year. This training will be imparted through the Khadi and Village Industries Board, the training centres under the control of the Directorate of Rural Development, the ndustrial Training Institutes and the Tamil Nadu Small Industries Corporation.

Rural Development Schemes

58. Last year, a comprehensive development programme, providing link roads, water-supply, school buildings and other basic needs in rural areas in an integrated manner, was inaugurated in 69 panchayat unions. During this year, it is programmed to extend it to cover 100 panchayat unions additionally. Various departments have programmed to implement the several connected works in an integrated manner. The Budget Estimates include a special provision of Rs. 10 crores for this scheme.

59. It is proposed to collect details of the destitute poor below the poverty line who are without any regular work. Government will take suitable steps to create employment opportunities for them. The funds available for various schemes like Integrated Rural Development Scheme, Small Farmers Development Scheme and Scheme for Training of Rural Youth will be made use of for this purpose.

60. Government has decided to implement a scheme to prevent starvation deaths. Under this scheme poor people without any scope of sustenance, can approach the Grama-sevak if and when they suffer due to starvation. A sum of Rs. 100 will be given as grant and their names will be registered under Employment Guarantee Scheme, old and destitute persons, qualified to receive the old age pension, will be assisted in obtaining the old age pension.

Welfare of Weaker Sections

61. This Government is undertaking programmes to benefit weaker sections of society, in need of special assistance. A Special Nutrition Project with assistance from the World Bank will be implemented from the current year. Under this programme, training relating to nutrition and public health will be imparted to one mother selected from each village. She will function as a part-time Community Nutrition worker. Totally about 9,000 such mothers will be functioning as nutrition workers. Further, there will be one full time female community worker for every 5,000 of population. Under this programme, infants in the age-group 6 months to 36 months will be given health care, preventive vaccination and wherever necessary special nutrition. Pregnant

women in the lower income groups would be given special nutritional care from the seventh month of pregnancy till four months after delivery. Monthly medical check up will be organised and necessary health care will be administered. The cost of these inputs will be not less than Rs. 150 per woman. This programme will be initially implemented on a pilot basis in Kottampatti Panchayat Union in Madurai district and will be exended in stages to the nutritionally backward district of Madurai, Chengalpattu, Ramanathapuram, Tirunelveli, Pudukkottai and North Arcot districts in the next five years. It is important to mention that 44 per cent of rural population in the State are living in these districts. A provision of Rs. 2·13 crores has been made in the current year for this programme.

62. A programme to construct separate modern latrines in villages for women would be launched soon. This programme work will be started in the villages under Self-Sufficiency Scheme first and will be extended to other areas later.

63. I would like to mention here that the sanctions under pension schemes like Old Age Pension and Destitute Widow Pension has been stepped up considerably to cover larger number of deserving persons. The number of persons who received such pensions was 81,204 on 30th June 1977. It is significant to note that this number has increased to 1,13,970 by December 1979.

Agricultural Labourers' Pension

64. The rules of the Old Age Pension have been modified whenever it was found necessary, in order to extend the benefits of the scheme to those who required help.

In April 1978 the minimum age limits for sanctioning pension to destitute widows was reduced from 45 to 40. Last July, orders were issued to sanction pension to blind persons, without any minimum age limit. Again last year, the pension amount was raised to Rs. 25 from Rs. 20, which was the amount fixed at the commencement of the scheme. Provision of two sets of dresses annually under this scheme, was also introduced from Independence Day during last year. This scheme will be further enlarged to cover destitute and physically weak agricultural labourers who have reached 60 years of age.

Food for Poor

65. In order to implement the policy of supply of free foodgrains to the needy among the people below the poverty line, Government has decided to issue one kilogram of rice per week free of cost to Old Age Pensioners, Destitute Widow Pensioners, Physically Handicapped Pensioners, Blind Pensioners and Agricultural Labourer Pensioners. It will cost the Government about Rs. 1·25 crores per annum on the basis of present cost of rice and present strength of pensioners. It is significant to point out that with the implementation of this decision, these pensioners will be assisted by the Government in the form of food, clothing and cash doles.

Welfare of Harijans

66. Special care will be taken to ensure that the Harijans and the backward classes get their due share in the expenditure incurred under the various development schemes. In addition to this, to take up special schemes a provision of Rs. 21·23 crores was made in the Revenue and Capital accounts in the Revised Estimate for 1979–80 for the welfare of scheduled castes. This will be increased to Rs. 24·72 crores in the current year. Several new schemes are to be implemented in the current

year for the welfare of scheduled castes. It is programmed to spend Rs. 75 lakhs in the current year on an integrated scheme for the provision of roads, schools, water-supply, roads leading to burial grounds and other basic facilities in the Harijan habitations. A new programme at a cost of Rs. 1 crore for the provision of buildings, libraries and other facilities for the schools run by the Department of Harijan Welfare will be implemented in the current year. A provision of Rs. 2 crores has been made in the Budget Estimates for the construction of hostels for Harijan students. These special programmes for the welfare of scheduled castes will be implemented particularly in the Panchayat unions where the self-sufficiency scheme is to be implemented.

Harijan Housing

67. Under the Rural Housing Scheme, Government gives interest subsidy on loans taken by Harijans, in addition to extending a grant of Rs. 600 for Harijans falling under low income groupe. This scheme which is implemented with assistance from Institutions like L.I.C. enables the Harijans to construct houses at suitable places of their choice in large numbers. 3,003 houses were built by Harijans during the co-operative year 1978–79 under this scheme, which was introduced only in the latter half of that year. During 1979–80, 16,000 houses have been built by Harijans. It is proposed to increase the grant from Rs. 600 to Rs. 1,000 and by this it is expected that larger number of Harijans will be covered under this scheme. Steps have been taken to enable 30,000 Harijans to construct houses during the co-operative year 1980–81.

68. Fifteen new hostels for Harijan boys and girls will be opened this year. Rupees one crore has been provided in the Budget for share capital to Tamil Nadu

Harijan Housing Development Corporation to provide necessary assistance to Harijans to set up various enterprises. This Corporation will thus be enabled to furnish the necessary margin money to the financial institutions and commercial banks on behalf of Scheduled castes and tribes who wish to set up businesses or other enterprises with loans from these institutions. This will enable to substantially boost the lending of financial institutions and banks for such self-employment schemes of scheduled castes and scheduled tribes. Plans are being formulated to take up various schemes and to get the due share for Tamil Nadu from the special allocation for Harijans recently announced by the Centre.

Welfare of Backward Classes

69. Members are aware that this Government increased the reservation to 50 per cent for backward classes in educational institutions and employment. In the coming year 34 backward classes hostels for girls and boys will be opened. It is also proposed to open two hostels for students from Denotified Tribes A total provision of Rs. 761 lakhs has been made for this department in this year.

Memorial to Periyar and Anna

70. Members are aware that last year Periyar's Centenary was celebrated in every district with splendour. The Government has decided to set up a Science Museum named after Periyar who throughout his life was exhorting everyone to think and act on a rational basis. The Government has also decided to construct a Periyar Memorial Hall. This hall will have facilities for simultaneous translations, fit enough for convening international conferences. The Government has also purchased Arignar Anna's house in Kancheepuram and has decided to maintain it as a memorial to him.

Development of Arts

71. A provision of Rs. 16·5 lakhs has been made for expanding the National Art Gallery in Madras. The surroundings of Valluvar Kottam will be beautified and improved. A provision of Rs. 4 lakhs has been made to enable the Institute of Film Technology to procure necessary additional equipment. Provision has also been made for setting up a colour film processing laboratory at a cost of Rs. 12·65 lakhs. Government will be providing assistance to the tune of Rs. 20 lakhs to the Tamil Nadu Theatre Corporation to enable it to extend additional loans for setting up theatres.

Welfare of Government Servants

72. The Government continues to pay special attention towards the welfare of its employees. Following the decision taken last year, arrangements have been made to sanction house building advances for Government servants at district headquarters instead of Madras City. This has resulted in easier clearance of loans in all districts including Madras City. The outlay on house building advances has been stepped up from Rs. 207 lakhs last year to Rs. 332 lakhs in the current year. The outlay on provision of housing facilities for Policemen has been stepped up by Rs. 1 crore from Rs. 125 lakhs last year to Rs. 225 lakhs in the current year. A provision of Rs. 250 lakhs has been made for construction of residential quarters for other Government employees.

Annual Plan

73. The Budget Estimate, 1979–80 provided for a Plan outlay of Rs. 342·88 crores. In the Revised Estimate 1979–80, the annual plan outlay was estimated at Rs. 347·41 crores. Against this the Budget Estimates 1980–81 envisage a Plan outlay of Rs. 436·37 crores. In the current year also the power sector gets the major share in the Annual Plan. The Annual Plan provides for an outlay of Rs. 155·76 crores on Power, Rs 32·74 crores on Irrigation, Rs. 78·25 crores for Agriculture and allied sectors, Rs. 23·22 crores for Industries, Rs. 37·84 crores for Road and Road Transport, Rs. 20·73 crores for Education, Rs. 12·28 crores for Health, Rs. 33·36 crores for Water-Supply and Drainage, Rs. 23·68 crores for Housing and Urban Development and Rs. 18·51 crores for other miscellaneous sectors.

Government Offices

74. Under the programme of opening of administrative offices it is programmed to open 15 new Sub-Registrars' offices and sub-treasuries in 4 places. Considering the growth in population and the development of new housing colonies it is planned to open 10 new Police stations. The Budget Estimates also provide for the establishment of 11 new courts in order to ensure speedier disposal of cases. I am sure that the members of this House will welcome these programmes which are intended to serve the public, eventhough such an expenditure will be outside the Plan.

Changes in Taxes

75. A long standing plea of the trading community, is that the multi-point tax levied on the sale of many commodities, should be converted into single point

75. Taking note of this suggestion Government have decided to convert the 4 per cent multi-point sales tax presently levied on locks, combs, stationery articles, pens, ballpoint pens and refills, plastic articles, galvanised iron buckets, asafoetida, camphor, candle, notebooks into single point tax. Since these articles undergo atleast one sale before they are finally sold to consumers, the rate of single point sales tax has been fixed at 8 per cent. This will come into effect from tomorrow.

76. In order to reduce the burden of traders in maintenance of accounts, items of low revenue yield will be completely exempted from sales tax. Lemon grass oil and laurel oil manufactured by cottage industry, hurricane lamps and non-pressure kerosene stoves which are used by the common man are items that will be exempted from sales tax from tomorrow.

77. The tax on sales of bicycles outside the State was reduced from 4 per cent to 1 per cent in order to reduce the difficulties in the sale of cycles manufactured in the State to other States. It is now proposed to reduce also the tax on sales on component parts of cycles, outside the State from the present 4 per cent to 1 per cent, with effect from tomorrow.

78. Government has decided to reduce local sales tax on cycles and component parts of cycles from 6 per cent to 3 per cent. This reduction will take effect from tomorrow. I am confident these tax reduction measures which would benefit the poor and traders will be welcomed by all. It is estimated that on account of these decisions, the annual loss of revenue would be around Rs. 1·6 crores.

79. Government has decided to constitute a "Traders' Welfare Committee" to examine and recommend measures for the welfare of the Trading Community.

Budget Estimates

80. The Budget Estimates for 1979–80 envisaged revenue receipts of Rs. 849·83 crores and revenue expenditure of Rs. 849·25 crores with a revenue surplus of Rs. 58 lakhs. In the Revised Estimates, the revenue receipts are estimated at Rs. 924·06 crores and the revenue expenditure at Rs. 884·44 crores. The increased realisation of sales tax consequent on the general increase in prices, the payment of increased surcharge on Motor Vehicles Tax by Transport Corporations, better receipts under Entertainment Tax and Stamps have been chiefly responsible for the improved revenue receipts. The increase in revenue expenditure is mainly on account of natural calamities. The Budget Estimates, 1979–80 provided for an outlay of Rs. 72·25 crores on the Capital Account and Rs. 79·94 crores on Loan account. The Revised Estimates, 1979–80 provide for an outlay of Rs. 70·06 crores on the Capital Account and Rs. 120·82 crores net on the Loan account. Inspite of the fact that the recovery position of loans of various co-operatives has deteriorated, the Government has extended special assistance to various co-operative institutions to the tune of Rs. 43·5 crores in the Revised Estimates, 1979–80 to enable them to extend fresh loans to those farmers who have paid their dues promptly and to implement the concessions announced by Government. The overall effect of the transactions in all the accounts in the Budget Estimates, 1979–80 was estimated to be a deficit of Rs. 4·25 crores. In the Revised Estimates 1979–80 it is anticipated that the overall effect on all accounts would be a deficit of Rs. 59 lakhs leaving a closing cash balance of Rs. 2·34 crores.

81. In the Budget Estimates for 1980–81 it is estimated that the revenue receipts will be Rs. 982·66 crores, the revenue expenditure will be Rs. 967·27 crores leaving a net surplus of Rs. 15·39 crores. The Budget Estimates 1980–81 shows a lower surplus on the Revenue account when compared to the Revised Estimates, 1979–80 on account of the higher provision of Rs. 10 crores made for the Employment Guarantee Scheme and provision of Rs. 10 crores for self-sufficiency Scheme, and provisions for several new schemes. The outlay in the Capital account has been increased to Rs. 94·21 crores in the Budget Estimates 1980–81. Provision for construction of hostels for Scheduled Caste students, provision for construction of school buildings, provision for the buildings to be constructed under the World Bank assisted Nutrition project, additional share capital assistance to the Tamil Nadu Civil Supplies Corporation, increased outlay on several irrigation projects, account for the increased outlay in the Capital Account. The net outlay on the Loan account is estimated to be Rs. 76·33 crores. Taking all accounts together the Budget Estimates 1980–81 are estimated to result in a net surplus of Rs. 33 lakhs leaving a closing cash balance of Rs. 201 lakhs.

Five-Year Plan

82. The Central Government has planned to draw up a new Five-Year Plan commencing from 1980-81. Following this, the State Government is engaged in drawing up the new Five-Year Plan for the State. In this context I would like to point out that the Central assistance to Tamil Nadu continues to remain at a very low level.

83. The share of Tamil Nadu in Central assistance to States for plan assistance has been going down over the successive Five-Year Plan which can be gauged from the table below :—

	Share of Tamil Nadu in the Central assistance extended to all States. (*Percentage*)
First Five-Year Plan (1951–56)	10·8
Second Five-Year Plan (1956–61) ..	9·0
Third Five-Year Plan (1961–66) ..	7·4
Annual Plans (1966–69)	6·8
Fourth Five-Year Plan (1969–74) ..	5·5
Fifth Five Year-Plan (1974–78) ..	4·1

The table below reveals the declining trend of per capita Plan outlay of Tamil Nadu consequent on the reduced level of Central assistance.

Per capita Plan Outlay

	Tamil Nadu. RS.	*All-India.* RS.	*Rank of Tamil Nadu among the States* (22).
Fourth Five-Year Plan Outlay (1969–74)	114	133	17
Fifth Five-Year Plan Outlay (1974–78)	272	345	19

84. I wish to take this opportunity to request the Central Government to take steps to alter this situation by increasing the Central assistance to the State substantially so as to enable the State to draw an appropriate new Five-Year Plan with a per capita outlay, at least reaching the All-India average outlay.

Sir,

85. I have placed before the House a clear picture of the financial position of the State. Our aim is that equality, socialism and democracy should prevail in all spheres ; the people of Tamil Nadu should progress and prosper ; Tamil Nadu should be strengthened and enriched in all aspects and thereby contribute to the power and glory of India.

86. I am confident that the comments of the Members and their suggestions for new schemes and their advice on various aspects would be of great assistance to this Government in discharging its duties efficiently and effectively. In this I seek the assistance of everyone of you.

Anna once remarked "What is the test of a good Government? Like light to a lamp, like abundant yield to a farmland, the prosperity and peace of the people of the country are the real test of a good Government." Inspired by this ideal of bringing peace and prosperity to the people of Tamil Nadu, this Government has endeavoured to draw up and implement various schemes for their welfare.

87. I wish to extend my sincere thanks to Thiru K. Venkatesan and his colleagues for having assisted me in preparing this Budget in the short time available to us.

88. I request that this House may approve the Annual Financial Statement for the year 1980–81.

MADRAS,
2nd July 1980.

V. R. NEDUNCHEZHIYAN,
Minister for Finance.